



DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

[Docket No. FTA–2014–0017]

Research, Technical Assistance, and Training Programs: Proposed Circular

AGENCY: Federal Transit Administration (FTA), DOT.

ACTION: Notice of availability of proposed circular and request for comment.

SUMMARY: The Federal Transit Administration (FTA) has placed in the docket and on its website, proposed guidance in the form of a circular, to assist recipients in their implementation of the research, development, demonstration, and deployment projects; technical assistance and standards development projects; and human resources and training projects. The purpose of this proposed circular is to provide FTA recipients guidance on application procedures and project management responsibilities. The proposed revisions to the existing circular are a result of changes made to FTA's Research, Development, Demonstration, and Deployment Program, its Technical Assistance and Standards Development Program, and its Human Resources and Training Program by the Moving Ahead for Progress in the 21st Century Act. By this notice, FTA invites public comment on the proposed circular.

DATES: Comments must be received by [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. Late-filed comments will be considered to the extent practicable.

ADDRESSES: Please submit your comments by only one of the following methods, identifying your submission by docket number FTA-2014-0017. All electronic

submissions must be made to the U.S. Government electronic site at

<http://www.regulations.gov>.

- (1) Federal eRulemaking Portal: Go to <http://www.regulations.gov> and follow the online instructions for submitting comments.
- (2) Mail: Docket Management Facility: U.S. Department of Transportation, 1200 New Jersey Avenue, SE., West Building, Ground Floor, Room W12-140, Washington, DC 20590-0001.
- (3) Hand Delivery or Courier: West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE, between 9 a.m. and 5 p.m. Eastern time, Monday through Friday, except Federal holidays.
- (4) Fax: 202-493-2251.

Instructions: You must include the agency name (Federal Transit Administration) and Docket number (FTA-2014-0017) for this notice at the beginning of your comments. Submit two copies of your comments if you submit them by mail. For confirmation that FTA received your comments, include a self-addressed stamped postcard. All comments received will be posted without change to www.regulations.gov including any personal information provided and will be available to internet users. You may review DOT's complete Privacy Act Statement published in the Federal Register on April 11, 2000 (65 FR 19477) or <http://docketsinfo.dot.gov>.

For access to the docket to read background documents and comments received, go to www.regulations.gov at any time or to the U.S. Department of Transportation, 1200 New Jersey Ave SE, Docket Operations, M-30, West Building Ground Floor, Room W12-140,

Washington, DC 20590 between 9:00 a.m. and 5:00 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: For program questions, please contact Helen Tann, Office of Research, Demonstration and Innovation, phone: 202-366-0207 or e-mail: helen.tann@dot.gov. For legal questions, please contact Linda Sorkin, Office of Chief Counsel, phone: 202-366-0959 or e-mail: linda.sorkin@dot.gov.

SUPPLEMENTARY INFORMATION:

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I. Overview

The Moving Ahead for Progress in the 21st Century Act (MAP-21) (Pub. L. 112-141, July 6, 2012) made a number of changes to FTA’s research program. The proposed circular reflects these updates to Federal law, proposes policy, clarifies FTA’s

requirements and processes, and restructures FTA Circular 6100.1D (Research, Technical Assistance and Training Program: Application Instructions and Program Management Guidelines) for clarity and ease of use.

FTA seeks public comment on the proposed circular, in particular those portions of the circular reflecting changes in the law as a result of MAP-21, as well as those portions reflecting new guidance, policies, or interpretations. FTA will publish a second notice in the Federal Register after the close of the comment period. The second notice will respond to comments received and announce the availability of the final circular 6100.1E. When adopted, circular 6100.1E will supersede circular 6100.1D.

This document does not include the proposed circular on which FTA seeks comment; however, an electronic version is available on FTA's website, at www.fta.dot.gov. Paper copies may be obtained by contacting FTA's Administrative Services Help Desk, at (202) 366-4865.

The Office of Management and Budget (OMB) released the "Omni Circular," 2 CFR Chapter 1, Chapter II, Part 200, new Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, final rule on December 26, 2013. The Department of Transportation (DOT) is in the process of implementing the new OMB requirements and the final regulations regarding policies and procedures applicable to Federal awards will be effective on or after December 26, 2014.

FTA grants and cooperative agreements executed prior to December 26, 2014, will continue to be subject to the regulations at 49 CFR parts 18 and 19, as in effect on the award date of such grants or agreements. Grants and cooperative agreements executed on or after December 26, 2014, will be subject to the new regulations at 2 CFR part 1201.

DOT implementation of the Omni Circular may supersede some of the existing administrative requirements contained in FTA Circular 6100.

II. Chapter-by-Chapter Analysis

A. Chapter I: Introduction and Background.

FTA proposes that this chapter would be substantially similar to Chapter I of circular 6100.1D. This chapter provides a general introduction to FTA that is included in all new and revised program circulars for the orientation of readers new to FTA programs. Section 2, “Authorizing Legislation” has been changed to reflect the most recent authorizing legislation, MAP-21. Section 3 provides contact information for FTA Headquarters, and Section 4 provides contact information for FTA regional offices. Section 5, “Grants.Gov” provides background information about the website. Section 6 sets forth definitions of terms appearing in this proposed circular to ensure a common understanding of terms. In Section 6, we propose modifying the definitions to include Electronic Clearinghouse Operation (ECHO) System and Electronic Award and Management System and delete the definition for TEAM Web.

B. Chapter II: Program Overview.

As it did in 6100.1D, Chapter II of 6100.1E provides an overview of FTA’s research programs. Chapter II is divided into five sections as before, but we propose moving or amending some of the content to reflect program changes and to improve the organization and readability of the circular.

Section 1. Statutory Authority. This section provides the citations for and descriptions of the applicable programs and activities to which this circular applies.

Section 5312, Research, development, demonstration and deployment projects.

Section 5312(a) authorizes the Secretary of Transportation to make Grants and enter into Contracts, Cooperative Agreements, and Other Agreements for research, development, demonstration, and deployment projects and evaluation of research and technology of national significance to public transportation, and that the Secretary determines will improve public transportation.

Section 5312(b) focuses on public transportation research projects with the goal of developing and deploying new and innovative ideas, practices, and approaches.

Section 5312(c) authorizes public transportation innovation and development projects seeking to improve public transportation systems nationwide by providing more efficient and effective delivery of public transportation services, including through technology and technological capacity improvements.

Section 5312(d)(1) – (4) establishes a program to promote the early deployment and demonstration of innovation in public transportation that has broad applicability.

Section 5312(d)(1)(5) establishes a program within FTA's Research program to support low or no emission vehicle deployment.

Depending on the statutory section under which a project is undertaken, Section 5312 authorizes the Secretary to make Grants to and enter into Contracts, Cooperative Agreements, and Other Agreements with departments, agencies, and instrumentalities of the Government, including Federal laboratories; State and local governmental entities; providers of public transportation; private or non-profit organizations; institutions of higher education; and technical and community colleges.

Section 5314, Technical assistance and standards development. Section 5314(a) authorizes the Secretary to assist in the development of voluntary and consensus-based standards and best practices by the public transportation industry.

Section 5314(b) authorizes the Secretary to make Grants and enter into Contracts, Cooperative Agreements, and Other Agreements to provide public transportation-related technical assistance to assist providers of public transportation to: comply with the Americans with Disabilities Act (ADA); comply with human services transportation coordination requirements and enhance the coordination of related Federal resources; meet the transportation needs of elderly individuals; assist market-based development around transit stations; address transportation equity for low-income and minority individuals; and any other technical assistance activity that the Secretary determines is necessary to advance the interests of public transportation.

Section 5322, Human resources and training. Section 5322(a) authorizes the Secretary to undertake, or make grants and contracts for, programs that address human resource needs as they apply to public transportation activities including employment training, outreach to minority and female candidates, research on public transportation personnel and training needs, and training and assistance for minority business opportunities.

Section 5322(b) directs the Secretary to establish a competitive innovative public transportation workforce development program to assist the development of innovative activities in these areas.

In addition, Section 5322(d) directs the Secretary to establish a national transit institute and award grants to a public 4-year degree-granting institution of higher

education to develop and conduct training and educational programs for Federal, State, and local transportation employees, United States citizens, and foreign nationals engaged or to be engaged in Government-aid public transportation work.

Repealed Programs: MAP-21 repealed a number of public transportation programs that existed under the previous authorization. Funds that were authorized under these programs remain available for obligation in a grant until the applicable statutory period of availability expires, or until the funds are fully expended, rescinded by Congress, or otherwise reallocated. Entities that are awarded FY 2012 or a previous fiscal year funding should check with their FTA Program Manager for the requirements that accompany that funding.

Section 2. In the previous version of the circular, 6100.1D, Section 2 was titled “Program Goal.” FTA proposes removing this section in its entirety. The proposed new Section 2 is “Responsibilities of Project Management,” and this section lists project management responsibilities for recipients of FTA funds, FTA headquarters, and the administering FTA office. These responsibilities are unchanged from the previous version of the circular, where they appeared in Section 3.

Section 3. Civil Rights Requirements. Section 3 clarifies the civil rights requirements the Recipient must comply with when receiving Federal funding. We propose reorganizing the content, which remains substantially similar to circular 6100.1D.

Section 4. Cross-Cutting Requirements. Section 4 reminds FTA recipients that they must comply with all applicable federal laws, regulations, and directives unless FTA

determines otherwise in writing. Section 4 is unchanged from circular 6100.1D, except for the addition of a hyperlink to sample Master Agreements on FTA's website.

C. Chapter III: Application Instructions.

Section 1. Overview. This Section is substantially similar to Section 1 in circular 6100.1D.

Sections 2 and 3. Agreement Life Cycle and Application Process. For clarity, FTA proposes dividing Section 2 of circular 6100.1D, "Application Process," into a new Section 2, "Agreement Life Cycle" and a revised Section 3, "Application Process."

FTA proposes augmenting the list of stages in the life cycle of an application for Federal assistance to highlight elements subsumed under "project managed" in the previous version (namely, implementation, management and oversight of activities supported by the Agreement; period of performance completed; final reports, independent evaluation and other Agreement products delivered to FTA; excess equipment and property acquired with Federal assistance disposed of, with FTA approval if needed; and final Federal Financial Report, budget revision and actual milestones accomplished recorded in electronic award and management system and approved by FTA).

FTA proposes relocating the description of the electronic award and management system (currently known as TEAM) to Section 3, Application Process and Section 6, Formal Application Procedures. This reflects FTA's practice of soliciting proposals for discretionary financial assistance, selecting proposals for award, and requiring only those

entities selected to use the electronic award and management system to submit detailed data in support of formal applications for assistance.

Section 4. System Registration Requirements. In this section, FTA proposes deleting the former paragraph on Central Contractor Registration and replacing it with requirements to register in the System for Award Management (SAM) and to review and update SAM information at least annually during the life of the Agreement.

Section 5. Proposal and Pre-Application Procedures. In this section, FTA proposes substituting the term “Project Narrative” for the former term “White Paper” and increasing the size limitation from 5 to 15 pages to reflect recent FTA practice in soliciting competitive proposals.

Section 6. Formal Application Procedures. In this section, FTA proposes changing references to TEAM to refer to the current electronic award and management system. While much of the information in this section is substantially similar to that of its predecessor, FTA Circular 6100.1D, we highlight the following proposed changes:

Subparagraph 6.b(2)(b). Project Budget. FTA proposes deleting the former reference to scope code 70 for projects undertaken by universities as this code is rarely used. Likewise, we propose deleting the “University Budget Example.” Using scope code 55 for most research-type projects will facilitate retrieving aggregate information about such projects from the electronic award and management system regardless of the type of entity performing the work.

Paragraph 6.b(3). Statement of Work. FTA proposes deleting the requirement for a literature review as inapplicable to most projects FTA has been funding under the

programs covered by this circular. If FTA deems a literature search essential to a research project authorized by Section 5312(b), the solicitation will require the review.

Paragraph 6.b(5). Intergovernmental Review Process Required by Executive Order No. 12372. FTA proposes adding this paragraph explaining how to proceed if an applicant is located in a State that does not have a single point of contact.

Subparagraph 6.b(6)(b). Electronic Submittal. FTA proposes deleting the option of submitting paper hard-copy to reflect FTA's commitment to electronic award management for all recipients.

Subparagraph 6.b(6)(c). Compliance. There should be few, if any, instances when a recipient is unable to submit certifications electronically.

Subparagraph 6.b(7)(a). Environmental Considerations: Typical Projects. Since typical projects covered by the circular would not require a formal environmental impact statement (EIS), FTA proposes updating, clarifying and moving material in the previous version to this paragraph (former subparagraph 6(b)(7)(b) of FTA circular 6100.1D).

Paragraph 7(c)(1). Public Hearing Requirement. FTA has deleted the public hearing requirement in paragraph 7(c)(1) of the former version because that requirement was repealed by MAP-21.

Subparagraph 6.c(1)(a). Davis-Bacon Act. In this subparagraph, FTA proposes editing the former version for clarification without substantive change.

Section 7. Peer Review and Independent Evaluation. FTA added this section to implement a new MAP-21 statutory requirement for a comprehensive evaluation of the

success or failure of projects funded under 49 U.S.C. 5312(d). See 49 U.S.C. Section 5312(d)(4).

Section 11. Cost Share. FTA has revised this section because MAP-21 requires a 20% local share for some projects; see 49 U.S.C. 5312(f) and 5314(d). MAP-21 also requires a 50% local share for Section 5322(a) and (b) projects; see 49 U.S.C. 5322(c).

Subsection 11(c). Program Income. This subsection includes two proposed new sentences regarding possible uses of program income when authorized by law, regulation, guidance or special condition.

Section 12. Project Approval. FTA proposes the following changes:

Subsection 12.a. Notification. FTA proposes edits to this subsection for clarification and to allow flexibility in the means of contacting the recipient.

Subsection 12.b. Execution of FTA Agreement. FTA proposes editing this subsection for clarification with no substantive change.

Subsection 12.c. Cost Eligibility and Payment Method. FTA has amended the instructions on reimbursement procedures in paragraph 12c(5) to a new description of the DELPHI eInvoicing System, which has superseded the former ACH system.

D. Chapter IV: Project Administration.

FTA proposes minor editorial changes to improve clarity throughout Chapter IV, without substantive changes in meaning.

We have changed each reference to “TEAM” to “the electronic award and management system” because FTA is in the process of testing and deploying a successor

system to TEAM. TEAM will continue to be used by FTA and recipients until the successor system becomes operational.

FTA proposes relocating detailed instructions for filing Federal Financial Reports to Appendix A.

E. Chapter V: Financial Management.

Chapter V is substantially similar to chapter V in circular 6100.1D. This chapter provides guidance on the proper use and management of Federal funds that is unique to Research, Technical Assistance and Training programs. Proposed changes to this chapter include the following:

Section 3. Local Share. This section's name, "Local Share," replaces the name "Non-Federal Match," in FTA circular 6100.1D.

Subsection 8.c. Payment Methods. This subsection provides additional guidance on payment methods. In accordance with DOT guidelines, recipients of Cooperative Agreements must request Federal funding using Delphi eInvoicing System. All supporting documentation needed to support payment is required to be scanned within the eInvoicing System to aid the FTA Approving Official in authorizing reimbursement to the recipient.

F. Chapter VI: FTA Oversight.

While much of the information in this Chapter is substantially similar to that of its predecessor, FTA Circular 6100.1D, we highlight the following proposed changes:

Paragraph 2.a(1). Full Scope Financial Management System Review. We propose adding this paragraph to include the requirement that Financial Management Oversight (FMO) contractors conduct a series of interviews, full transaction reviews, and

appropriate substantive tests. This paragraph also describes the seven standards for financial management systems, which are: Financial Reporting, Accounting Records, Internal Control, Budget Control, Allowable Costs, Source Documentation and Cash Management.

Paragraph 2.a(4). Special Assignment (Agreed Upon Procedures). FTA proposes adding this paragraph to describe how FTA may perform a review with the contractor to develop agreed-upon procedures for oversight of certain aspects of the recipient's financial management issues on a case-by-case basis.

G. Appendices

New Appendix A. Instructions for Completing Federal Financial Report (FFR). The information in this Appendix was formerly located in Section IV.C of FTA Circular 6100.1D. The text in proposed Appendix A is substantially similar to that of Section IV.C of FTA Circular 6100.1D. FTA proposes deleting the former Appendix A of FTA Circular 6100.1D, consisting of a Table of Other FTA Circulars, because the list of FTA circulars in effect changes frequently and a current list is available on the FTA public website.

Relocated Appendix B. Cost Allocation Plans. The information in Appendix B is substantially similar to that in Appendix C of FTA Circular 6100.1D. FTA proposes deleting the former Appendix B, "Quarterly Narrative Report Example," because it did not provide a useful format for a quarterly narrative report. We propose locating this information in section IV.4.d. of this circular and revising it to clarify what should be in the type of comprehensive quarterly narrative report FTA seeks.

Relocated Appendix C. Request for Advance or Reimbursement (SF-270). This information is the same as located in Appendix D of FTA Circular 6100.1D

New Appendix D. Preparation Instructions for FTA Final Reports. Appendix D is a near verbatim copy of the preparation instructions on the FTA Public Website at http://www.fta.dot.gov/documents/Preparation_Instructions_for_FTA_Final_Reports_June_2013.pdf. We reformatted that document to adapt it as an Appendix (e.g., inserting numbered lists instead of bullets) but did not change the content.

Former Appendix E. FTA Regional and Metropolitan Contact Information. FTA proposes deleting this Appendix because this information is subject to change. Current information is available on the FTA public website.

FTA seeks comment on the content and reorganization of proposed circular 6100.1E.

Issued in Washington, DC, this 7th_day of August, 2014.

Therese W. McMillan,
Deputy Administrator.

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